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SIPDIS

USDOC FOR 532/OEA/LHINES/DFARROW  
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR WILLIAM  
ZARIT  
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A  
TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETRD](#) [ETTC](#)  
SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: DYNAMIC  
PROGRESS INTERNATIONAL LIMITED

REF: A) USDOC 06190

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. As per reftel A request and at the direction of the Office of Enforcement Analysis of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO) conducted a pre-license check (PLC) at Dynamic Progress International Limited, Unit 1707, Tower II, 138 Shatin Rural Committee Road, Hong Kong (Dynamic Progress). The purpose of the visit was to determine the suitability of Dynamic Progress to be a recipient of a PVDF plastic magnetic driven, seal-less horizontal centrifugal pump that is the subject of license application D366279. The item (ECCN 2B350) is valued at USD \$2,227 and is controlled for chemical and biological weapons reasons (CB). The license applicant is Finish Thompson, Inc. of Erie, Pennsylvania.

¶3. On November 21, 2006, the ECO visited Dynamic Progress at the address above and met with Steve Choi, Executive Director and Steven Lord, Technical Director. Dynamic Progress is a small start-up company whose primary business involves the construction of a facility that will convert used cooking oils into biodiesel. According to an extract from the Companies Registry, Mr. Choi and Mr. Lord are both members of the company's board of Directors as are the two shareholders of the company, Wing On Yau and Yin Kee Lam. Mr. Choi indicated that the company was in existence from 1997 until a year ago as a Hong Kong shelf company at which time it was acquired for purposes of this project.

¶4. According to Mr. Choi, the pump will be used to remove toxic and flammable gases produced during the recycling process. The recycling facility is presently in the initial stages of construction at a remote location in Hong Kong. As a result, the ECO was not able to view the facility where the item will be used. Mr. Choi offered to show the ECO the facility when it is nearer to completion so that he may see where the pump will be installed. Likewise, Messrs. Choi and Lord made available to the ECO extensive technical drawings showing how and where the production facility will be constructed.

¶5. At the time visited, Dynamic Progress appeared to be a suitable recipient of the subject controlled items

since it cooperated fully with the PLC and provided substantial information on Dynamic Progress's proposed use of the item in Hong Kong. In addition, Dynamic Progress operates a line a business that is consistent with the potential use of the ordered item. The ECO recommends that this PLC be classified as Favorable.

Cunningham